

MEETING AGENDA

Meeting: Special Full Board of Trustee Meeting
Date: April 23, 2020
Time: 4:00 PM
Location: Teleconference Only
Teleconference: (844) 740-1264 / Meeting No: 803 458 556 # / Attendee No: #
<https://alaskamentalhealthtrust.org/>
Trustees: Chris Cooke (Chair), Verné Boerner, Rhonda Boyles, Laraine Derr, Anita Halterman, Ken McCarty, John Sturgeon

Thursday, April 23, 2020

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4:00	Call to Order – Chris Cooke, Chair	
	Roll Call	
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	Adjourn	

MEMO

To: Chris Cooke, Chair
From: Mike Abbott, Chief Executive Officer
Date: April 15, 2020
Re: Designation of authority grant funds – Phase 2: COVID-19 Response grant program

REQUESTED MOTION:

Approve using \$500,000 in FY20 authority grant funds to add to the COVID-19 Response grant program to assist organizations serving Trust beneficiaries to respond to the COVID-19 crisis. The authority grant funds to for this grant program are outlined below.

BACKGROUND

On March 16th the Foraker Group deployed a survey to non-profits statewide to assess the ways in which COVID-19 is and will impact Alaska's non-profit sector, including Trust beneficiary serving organizations. Of the 310 organizations that complemented the survey to date, more than 60 have been identified as directly serving beneficiaries of the Trust. From this survey, direct outreach from Trust staff and inquires directly made to the Trust several critical areas of need have been identified. These include:

- Disruption of services to clients and communities
- Budgetary implications related to strains on the economy
- Loss of revenues due to inability to provide services
- Increased and sustained staff and volunteer absences
- Disruption of supplies or services provided by partners

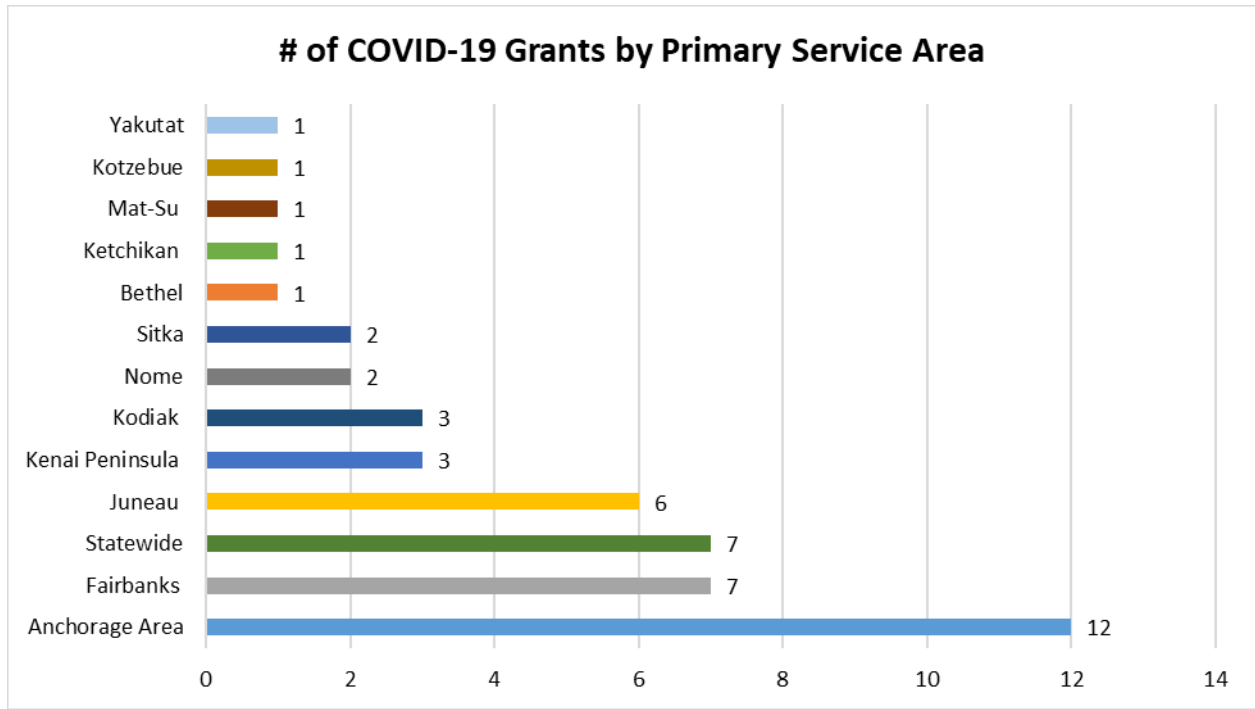
Based the results from the Foraker Survey, direct calls from beneficiary serving organizations and guidance from our Advisory Boards a request was presented to the board of trustees to establish a *COVID-19 Response grant program*. On March 27, 2020 that request of \$1,000,000 of authority grant funds to establish a *COVID-19 Response grant program* was approved.

In very short order following the board's approval, the Trust started receiving grant applications from organizations. Organizations requested funds in the following broad priority areas:

- assistance for emergent beneficiary needs;
- identified health & safety issues; and,
- operational assistance.

There were 73 applications received between March 27th and April 9th, 47 applications were approved and 26 were declined. The grant applications that were approved, received between

\$2,300 and \$50,000 of COVID-19 funding support. The chart below illustrates the geographic distribution of the awarded grants.



PROJECT DESCRIPTION

The extended timeline and impacts of the Coronavirus disease 2019 (COVID-19) pandemic continues to negatively impact individual beneficiaries and organizations serving beneficiaries. The response we received to the initial round of *COVID-19 Response* grant program funding indicates there is a tremendous need for short-term, quickly accessible funding to address individual beneficiary and organizational needs. In fact, the need exceeded the available resource. For many of our partner organizations, the availability of immediate funds is critical as they adapt to a new, virtual service environment and as they apply and wait to see if other state and federal crisis funding will be available to them.

The Trust is monitoring information related to state and federal resources that may be available to support our partner organizations, many of them are working to take maximum advantage of resources for which they are eligible. However, in most cases, the timing, availability and limitations of such fund sources have yet to be fully realized. Because of this, Trust staff believes that the immediate availability of Trust grant funds remains the most effective way to ensure continuity of services of for our beneficiaries.

In response to these anticipated areas of need, the service disruption impacts on beneficiaries and the financial stress placed on our non-profit organizations, Trust staff have completed a further analysis of FY20 Trust Authority Grant funded projects for reallocation. Those previously approved FY20 Authority Grant funds, as outlined below, totaling \$500,000 would be reallocated

to establish a *Phase 2: COVID-19 Response* grant program to provide immediate grant assistance to Trust beneficiary serving organizations.

FY20 Authority Grant Funds to be Reallocated

<p>Early Childhood Intervention & Prevention – Policy, Data & Program</p> <p>Trustees approved a total of \$300,000 in FY20 to support development of early childhood intervention and prevention partnerships aligned with Trust priorities. There is \$200,000 available for reallocation due to significant delays in systems assessments and planning initiated by state departments. The remaining \$100,000 available for reallocation due to COVID-19 pandemic related delays in planned projects which are now postponed to FY21.</p>	<p>\$300,000</p>
<p>Disability Justice – CIT Training</p> <p>Trustees approved \$140,000 to support <i>Crisis Intervention Team</i> (CIT) training for law enforcement and first responders. The funds were used to support local and state CIT trainings (i.e. Anchorage, Mat-Su, Fairbanks). The timing of the trainings are determined by the law enforcement agencies. Due to the COVID-19 pandemic CIT trainings have been cancelled.</p>	<p>\$140,000</p>
<p>Focus Area & Workforce - Admin</p> <p>Trustees approved focus area administration funds in Beneficiary Employment and Engagement (\$50,000), Disability Justice (\$50,000), Housing and Long-Term Services & Supports (\$50,000) and Workforce administration funds (\$50,000). Some examples of how focus area admin funds are used include: travel for partners to participate in focus area meetings, site visits to learn about evidence based practices, small contracts for evaluation, etc.</p> <p>Staff recommend that \$10,000 (Beneficiary Employment and Engagement), \$15,000 (Disability Justice), \$15,000 (Housing and Long-Term Services & Supports) of focus area and \$20,000 (Workforce) admin funds be reallocated for the COVID-19 response fund. Any work needed in the last two months will not require these funds.</p>	<p>\$60,000</p>
<p style="text-align: right;">Total</p>	<p>\$500,000</p>

Phase 2: COVID-19 funding deployment

Phase 2 funding will maintain the flexibility of Phase 1. Potential grantees will have access to grants through the Trust’s website; and Trust staff will continue to reach out to organizations providing essential beneficiary services. A grant application will be collected from applicants and reviewed for funding suitability. The funds would be used in the below broad priority areas;

however, staff anticipate increased requests for organizational assistance (i.e. *technical assistance with crisis and change management, IT needs supporting tele-work and tele-service delivery infrastructure, etc.*):

- assistance for emergent beneficiary needs;
- identified health & safety issues; and,
- operational assistance.

Applications have already been received from more than 10 potential grantees including Sound Alternatives Behavioral Health in Cordova, New Hope Counseling in Soldotna, Neighborworks in Anchorage and Bethel, My House in the MatSu, and Alzheimer’s Disease Resource Agency.

As part of the grant agreement process, successful applicants are asked to work with the Trust should state, federal, or other funds become available to meet the needs outlined in the grant request.

Final grant approval would be made by the Chief Executive Officer within the normal grant approval thresholds, not to exceed \$100,000 to any single agency. These funds will be allocated over the remainder of FY20 and potentially into FY21 until the funds are fully expended.

It should be noted, depending on the trajectory of COVID-19 impacts on beneficiaries and beneficiary serving organizations additional funds may be necessary and requested.

STAFF ANALYSIS

Trust staff discussed this recommendation with our statutory Advisory Boards (Alaska Commission on Aging, Governor’s Council on Disabilities and Special Education, Alaska Mental Health Board and the Advisory Board on Alcoholism and Drug Abuse) and they support this recommendation. Staff recommends trustee approval of this reallocation to address beneficiary and organizational needs resulting from the continued COVID-19 pandemic.

MEMO

To: Chris Cooke, Chair
From: Mike Abbott, Chief Executive Officer
Date: April 23, 2020
Re: Acceptance of Contributions for Immediate Disbursement

REQUESTED MOTION:

Approve the receipt of \$25,000 from Sealaska, Inc. to be deposited into a single-purpose sub-account of the Mental Health Trust Settlement Income account and granted by the Trust to Trust beneficiary serving organizations affected by the COVID-19 pandemic.

BACKGROUND

A request by an entity or individual to utilize the Trust as the most effective method to respond to current mental health issues is a testament to the Trust's ability to serve its mission. However, accepting a gift requires consideration of adherence to Trust statutes and the administration of funds according to Trust governance guidelines. It is the intent of the Trust to clarify here the criteria and processes for accepting funds in a manner that simplifies future contributions for direct deployment.

Under AS 37.14.036(a)(1) "other monies received by the trust that is not attributable to the principal of the trust under AS 37.14.031(d)" may be held by the Trust Settlement Income Account. Funds in this account are available for disbursement under the guidelines of AS 47.30.056. Funds received by the Trust under AS 37.14.036(a)(1) are to be placed in a separate account within the State financial system, IRIS. These monies are distinct from any given fiscal year appropriation and budget. In adherence to the donor's intent for use of the funds and in accordance with Trust governance documents (statutes, regulation, bylaws and charters) the Trust would award grants or contracts from these funds in accordance with the intent of donor and the best interest of Trust beneficiaries.

It is important to distinguish between funds that are contributed to the Trust where the donor's intent is to respond to current issues impacting Trust beneficiaries, and the situation where funds are contributed to the Trust with intended long-term benefits of Trust beneficiaries, in which case under AS 37.14.031 (b)(3) cash "gifts, bequests, and contributions from other sources" would be received as a principal contribution to the Mental Health Trust Fund.
Sealaska Inc. Request

Sealaska Inc. contacted the Trust to inquire about the Trust's ability to receive cash and distribute it to assist Trust beneficiary serving organizations affected by the Covid-19 pandemic. Sealaska recognizes that the Trust is uniquely positioned and the most efficient and effective for soliciting and evaluating grant applications, and disbursing funding to support service delivery Alaskans

experiencing mental illness, developmental disabilities, substance use disorders, Alzheimer's disease and related dementia, and/or traumatic brain injuries..

STAFF ANALYSIS

Staff have reviewed the Trust governance documents and recommend the Board of Trustees approve the generous contribution of Sealaska Inc. By creating a single-purpose sub-account within the Mental Health Trust Settlement Income account, there is clarity that funds received from a donor can be received and distributed consistent with Alaska Statute. Similarly, there can be clarity that donor expectations will be met that funds will be disbursed for uses aligned with the Trust's mission.